

## Annexure 1: Financial Statements

### SUN NEPAL LIFE INSURANCE COMPANY LIMITED

(Corporate Office, Putalisadak, New-Plaza, Contact No: 0-14536126&0-14536126 Website: <https://sunlife.com.np/>)

#### Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
Particulars	Unaudited	Unaudited	Unaudited	Unaudited
	Group		Insurance	
	At the end of this Quarter	At the end of Immediate Previous Year	At the end of this Quarter	At the end of Immediate Previous Year
<b>Assets:</b>				
Goodwill & Intangible Assets	2,785,049.41	2,886,142.68	2,431,634.94	2,493,459.94
Property and Equipment	93,139,104.63	95,578,920.44	88,871,327.62	91,636,310.63
Investment Properties	-	-	-	-
Deferred Tax Assets	269,502,559.88	282,132,879.88	269,502,559.88	282,132,879.88
Investment in Subsidiaries	-	-	178,500,000.00	105,000,000.00
Investment in Associates	-	-	-	-
Investments	10,297,106,788.66	7,615,999,013.12	10,178,110,251.07	7,480,469,518.32
Loans	553,140,338.03	483,099,679.56	553,140,338.03	483,099,679.56
Reinsurance Assets	-	1,090,000.00	-	1,090,000.00
Current Tax Assets	227,545,767.11	198,723,698.59	226,820,615.11	199,354,615.54
Insurance Receivables	263,919,532.61	193,482,654.61	263,919,532.61	193,482,654.61
Other Assets	110,484,233.81	4,850,097.08	110,447,179.48	4,813,042.75
Other Financial Assets	179,841,519.57	109,399,332.89	119,025,174.86	108,982,892.19
Cash and Cash Equivalent	853,716,729.12	464,124,955.00	803,144,403.30	455,120,647.84
<b>Total Assets</b>	<b>12,851,181,622.83</b>	<b>9,451,367,373.86</b>	<b>12,793,913,016.91</b>	<b>9,407,675,701.26</b>
<b>Equity:</b>				
Share Capital	3,200,000,000.00	2,240,000,000.00	3,200,000,000.00	2,240,000,000.00
Share Application Money Pending Allotment	-	-	-	-
Share Premium	1,267,680,000.00	-	1,267,680,000.00	-
Catastrophe Reserves	123,521,477.65	90,680,963.65	123,521,477.65	90,680,963.65
Retained Earnings	1,091,277,930.55	796,816,480.31	1,075,010,714.54	791,573,523.24
Other Equity	357,393,796.30	349,045,278.54	319,051,134.54	312,371,242.54
<b>Total Equity</b>	<b>6,039,873,204.50</b>	<b>3,476,542,722.50</b>	<b>5,985,263,326.74</b>	<b>3,434,625,729.43</b>
<b>Liabilities:</b>				
Provisions	8,581,639.38	7,949,526.55	7,296,424.82	7,949,526.55
Gross Insurance Contract Liabilities	6,515,418,231.83	5,675,001,895.10	6,515,418,231.83	5,675,001,895.10
Deferred Tax Liabilities	7,493,307.66	7,493,307.66	7,382,881.66	7,382,881.66
Insurance Payable	-	-	-	-
Current Tax Liabilities	839,105.00	-	-	-
Borrowings	-	-	-	-
Other Liabilities	75,333,196.12	102,902,152.56	75,298,196.12	102,720,123.81
Other Financial Liabilities	203,642,938.34	181,477,769.48	203,253,955.75	179,995,544.71
<b>Total Liabilities</b>	<b>6,811,308,418.33</b>	<b>5,974,824,651.35</b>	<b>6,808,649,690.18</b>	<b>5,973,049,971.83</b>
<b>Total Equity and Liabilities</b>	<b>12,851,181,622.83</b>	<b>9,451,367,373.86</b>	<b>12,793,913,016.91</b>	<b>9,407,675,701.26</b>

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## SUN NEPAL LIFE INSURANCE COMPANY LIMITED

(Corporate Office, Putalisadak, New-Plaza, Contact No: 0-14536126&0-14536126 Website: <https://sunlife.com.np/>)

### Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS									Fig in NPR.
Particulars	Group				Insurance				
	Current Year		Corresponding Previous Year		Current Year		Corresponding Previous Year		
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	
<b>Income:</b>									
Gross Earned Premiums	834,886,807.99	1,779,564,448.69	907,423,292.87	1,964,811,812.42	834,886,807.99	1,779,564,448.69	907,423,292.87	1,964,811,812.42	
Premiums Ceded	99,848,560.79	193,144,620.79	170,446,281.55	376,335,665.08	99,848,560.79	193,144,620.79	170,446,281.55	376,335,665.08	
<b>Net Earned Premiums</b>	<b>735,038,247.20</b>	<b>1,586,419,827.90</b>	<b>736,977,011.32</b>	<b>1,588,476,147.34</b>	<b>735,038,247.20</b>	<b>1,586,419,827.90</b>	<b>736,977,011.32</b>	<b>1,588,476,147.34</b>	
Commission Income	-	-	-	-	-	-	-	-	
Other Direct Income	3,991,512.00	7,193,759.00	3,686,108.00	6,810,585.00	3,302,012.00	6,504,259.00	3,686,108.00	6,810,585.00	
Interest Income on Loan to Policyholders	5,792,787.00	10,820,261.00	5,325,412.00	9,199,719.00	5,792,787.00	10,820,261.00	5,325,412.00	9,199,719.00	
Income from Investments and Loans	276,312,643.46	436,249,330.71	156,223,584.09	252,538,507.71	275,759,399.50	435,408,801.67	156,223,584.09	252,538,507.71	
Net Gain/(Loss) on Fair Value Changes	9,555,825.00	9,555,825.00	-	-	-	-	-	-	
Net Realised Gains/(Losses)	5,249,366.71	5,249,366.71	-	-	-	-	-	-	
Other Income	80,685.00	-	-	-	80,685.00	-	-	-	
<b>Total Income</b>	<b>1,035,859,696.38</b>	<b>2,055,488,370.33</b>	<b>902,212,115.41</b>	<b>1,857,024,959.05</b>	<b>1,019,811,760.70</b>	<b>2,039,153,149.57</b>	<b>902,212,115.41</b>	<b>1,857,024,959.05</b>	
<b>Expenses:</b>									
Gross Benefits and Claims Paid	295,109,789.50	546,544,176.50	31,186,883.14	378,416,756.00	295,109,789.50	546,544,176.50	31,186,883.14	378,416,756.00	
Claims Ceded	38,907,946.60	57,397,446.60	88,634,388.06	15,534,573.80	38,907,946.60	57,397,446.60	88,634,388.06	15,534,573.80	
Gross Change in Contract Liabilities	387,932,948.09	806,314,473.73	373,900,700.99	725,817,585.80	387,932,948.09	806,314,473.73	373,900,700.99	725,817,585.80	
Change in Contract Liabilities Ceded to Reinsurers	920,000.00	1,090,000.00	-	-	920,000.00	1,090,000.00	-	-	
<b>Net Benefits and Claims Paid</b>	<b>645,054,790.99</b>	<b>1,296,551,203.63</b>	<b>493,721,972.19</b>	<b>1,088,699,768.00</b>	<b>645,054,790.99</b>	<b>1,296,551,203.63</b>	<b>493,721,972.19</b>	<b>1,088,699,768.00</b>	
Commission Expenses	68,695,620.00	149,009,693.00	76,845,601.00	165,198,412.48	68,695,620.00	149,009,693.00	76,845,601.00	165,198,412.48	
Service Fees	5,959,106.00	11,901,516.00	6,108,025.89	14,355,911.30	5,959,106.00	11,901,516.00	6,108,025.89	14,355,911.30	
Other Direct expenses	-	-	-	-	-	-	-	-	
Employee Benefits Expenses	65,826,706.41	153,272,639.18	70,150,009.13	143,814,249.10	64,393,026.41	151,530,419.18	70,150,009.13	143,814,249.10	
Depreciation and Amortization Expenses	4,957,656.54	9,695,845.69	4,185,117.00	5,188,929.00	4,670,571.00	9,141,632.00	4,185,117.00	5,188,929.00	
Impairment Losses	-	-	18,146,359.90	30,146,359.90	-	-	18,146,359.90	30,146,359.90	
Other Operating Expenses	68,759,843.58	94,299,493.10	29,468,163.44	55,645,840.02	67,961,313.43	92,613,547.95	29,468,163.44	55,645,840.02	
Finance Cost	-	-	-	-	-	-	-	-	
<b>Total Expenses</b>	<b>859,253,723.52</b>	<b>1,714,730,390.60</b>	<b>698,625,248.56</b>	<b>1,503,049,469.80</b>	<b>856,734,427.83</b>	<b>1,710,748,011.76</b>	<b>698,625,248.56</b>	<b>1,503,049,469.80</b>	
<b>Net Profit/(Loss) For The Period Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax</b>	<b>176,605,972.86</b>	<b>340,757,979.73</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	<b>163,077,332.87</b>	<b>328,405,137.81</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-	-	-	-	-	
<b>Profit Before Tax</b>	<b>176,605,972.86</b>	<b>340,757,979.73</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	<b>163,077,332.87</b>	<b>328,405,137.81</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	
Income Tax Expenses	-	839,105.00	-	-	-	-	-	-	
<b>Net Profit/(Loss) For The Period</b>	<b>176,605,972.86</b>	<b>339,918,874.73</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	<b>163,077,332.87</b>	<b>328,405,137.81</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	
<b>Earning Per Share</b>									
Basic EPS		10.62	15.80	15.80		10.26	15.80	15.80	
Diluted EPS		10.62	15.80	15.80		10.26	15.80	15.80	

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#### Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME									Fig in NPR.
Particulars	Group				Insurance				
	Current Year		Corresponding Previous Year		Current Year		Corresponding Previous Year		
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	
Net Profit/(Loss) For The Year	176,605,972.86	339,918,874.73	203,586,866.86	353,975,489.26	163,077,332.87	328,405,137.81	203,586,866.86	353,975,489.26	
Other Comprehensive Income	73,156,980.28	37,890,958.70	-	-	73,156,980.28	37,890,958.70	-	-	
<b>Total Comprehensive Income</b>	<b>249,762,953.14</b>	<b>377,809,833.43</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	<b>236,234,313.15</b>	<b>366,296,096.52</b>	<b>203,586,866.86</b>	<b>353,975,489.26</b>	

OTHER INDICATORS		
Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce Policy count	893,930.00	872,666.00
2. Total number of policies issued during the period	130,204.00	245,751.00
3. First Year Premium	242,717,368.09	260,455,836.42
4. Single Premium	425,185,516.00	720,506,205.00
5. Renewal Premium	1,111,661,564.60	983,849,771.00
6. Total Benefits and Claims Paid in Count	384.00	268.00
7. Outstanding Benefits and Claims in Count	8.00	9.00
8. Declared Bonus rate (FY 2078-79)	22-75	22-75
9. Interim bonus rate	22-75	22-75
10. Long Term Investments (Amount)	7,312,106,788.66	6,700,458,606.65
11. Short Term Investments (Amount)	2,985,000,000.00	302,362,552.58

**SUN NEPAL LIFE INSURANCE COMPANY LIMITED**  
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**Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S**  
**Consolidated Statements of Changes in Equity**

Group																
	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Capital Reserves	Catastrophe Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves(Regulatory Reserve)	Non-Controlling Interest	Total
Balance as on Ashadh end, 2079	1,400,000,000.00	-	215,290,000.00	-	395,401,085.72	-	-	46,577,882.63	2,168,387.00	-	339,996.64	-	19,690,280.84	103,248,638.21	35,074,885.00	2,217,791,156.04
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at Shrawan 1, 2079	1,400,000,000.00	-	215,290,000.00	-	395,401,085.72	-	-	46,577,882.63	2,168,387.00	-	339,996.64	-	19,690,280.84	103,248,638.21	35,074,885.00	2,217,791,156.04
Profit/(Loss) For the Year	-	-	-	-	729,781,144.67	-	-	-	-	-	-	-	-	-	-	729,781,144.67
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	25,205,538.00	-	-	-	-	-	-	-	-	-	-	25,205,538.00
v) Revaluation of Property and Equipments/ Goodwill & Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	308,233,445.87	-	-	44,103,081.02	4,410,308.10	-	2,520,553.80	-	281,303,267.16	25,702,915.21	1,599,151.00	0.00
Transfer to Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	7,087,198.00	-	-	-	-	-	2,135,196.00	-	196,747.00	-	-	(5,148,749.00)
Transfer to Insurance Contract Liabilities	-	-	-	-	22,684,984.20	-	-	-	-	-	-	-	-	-	-	(100,230,707.20)
Share Issuance Costs	-	-	-	-	15,565,660.01	-	-	-	-	-	-	-	-	-	-	(15,565,660.01)
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	840,000,000.00	-	215,290,000.00	-	-	-	-	-	-	-	-	-	-	-	-	624,710,000.00
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Shrawan 1, 2080</b>	<b>2,240,000,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>796,816,480.31</b>	<b>-</b>	<b>-</b>	<b>90,680,963.65</b>	<b>6,578,695.10</b>	<b>-</b>	<b>4,995,746.44</b>	<b>-</b>	<b>300,796,801.00</b>	<b>-</b>	<b>36,674,036.00</b>	<b>3,476,542,722.51</b>
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at Shrawan 1, 2080	2,240,000,000.00	-	-	-	796,816,480.31	-	-	90,680,963.65	6,578,695.10	-	4,995,746.44	-	300,796,801.00	-	36,674,036.00	3,476,542,722.51
Profit/(Loss) For the Year	-	-	-	-	339,918,874.73	-	-	-	-	-	-	-	-	-	-	339,918,874.73
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Revaluation of Property and Equipment/ Goodwill & Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	36,614,043.00	-	-	32,840,514.00	2,890,796.00	-	-	-	-	-	489,478.00	393,255.00
Transfer to Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Insurance Contract Liabilities	-	-	-	-	-	-	-	-	-	-	3,789,096.00	-	-	-	-	3,789,096.00
Share Issuance Costs	-	-	-	-	8,843,381.51	-	-	-	-	-	-	-	-	-	-	8,843,381.51
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,179,147.76	1,179,147.76
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	960,000,000.00	-	-	1,267,680,000.00	-	-	-	-	-	-	-	-	-	-	-	2,227,680,000.00
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Poush end, 2080</b>	<b>3,200,000,000.00</b>	<b>-</b>	<b>-</b>	<b>1,267,680,000.00</b>	<b>1,091,277,930.53</b>	<b>-</b>	<b>-</b>	<b>123,521,477.65</b>	<b>9,469,491.10</b>	<b>-</b>	<b>8,784,842.44</b>	<b>-</b>	<b>300,796,801.00</b>	<b>-</b>	<b>38,342,661.76</b>	<b>6,039,873,204.48</b>

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**Consolidated Statements of Changes in Equity**

Insurer															
	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Capital Reserves	Catastrophe Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves	Total
Balance as on Ashadh end, 2079	1,400,000,000.00	-	215,290,000.00	-	395,176,432.23	-	-	46,577,882.63	2,168,387.00	-	2,475,192.64	-	19,493,533.84	103,248,638.21	2,184,430,066.56
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at Shrawan 1, 2079	1,400,000,000.00	-	215,290,000.00	-	395,176,432.23	-	-	46,577,882.63	2,168,387.00	-	2,475,192.64	-	19,493,533.84	103,248,638.21	2,184,430,066.56
Profit/(Loss) For the Year	-	-	-	-	723,163,690.09	-	-	-	-	-	-	-	-	-	723,163,690.09
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	25,205,538.00	-	-	-	-	-	-	-	-	-	25,205,538.00
v) Revaluation of Property and Equipments/ Goodwill & Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	(306,634,294.87)	-	-	44,103,081.02	4,410,308.10	-	2,520,553.80	-	281,303,267.16	(25,702,915.21)	-
Transfer to Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	(7,087,198.00)	-	-	-	-	-	-	-	-	-	(7,087,198.00)
Transfer to Insurance Contract Liabilities	-	-	-	-	(22,684,984.20)	-	-	-	-	-	-	-	-	(77,545,723.00)	(100,230,707.20)
Share Issuance Costs	-	-	-	-	(15,565,660.01)	-	-	-	-	-	-	-	-	-	(15,565,660.01)
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	840,000,000.00	-	(215,290,000.00)	-	-	-	-	-	-	-	-	-	-	-	624,710,000.00
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Shrawan 1, 2080	2,240,000,000.00	-	-	-	791,573,523.24	-	-	90,680,963.65	6,578,695.10	-	4,995,746.44	-	300,796,801.00	-	3,434,625,729.44
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at Shrawan 1, 2080	2,240,000,000.00	-	-	-	791,573,523.24	-	-	90,680,963.65	6,578,695.10	-	4,995,746.44	-	300,796,801.00	-	3,434,625,729.44
Profit/(Loss) For the Year	-	-	-	-	328,405,137.81	-	-	-	-	-	-	-	-	-	328,405,137.81
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Revaluation of Property and Equipment/ Goodwill & Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	36,124,565.00	-	-	32,840,514.00	2,890,796.00	-	-	-	-	-	393,255.00
Transfer to Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Insurance Contract Liabilities	-	-	-	-	-	-	-	-	-	-	3,789,096.00	-	-	-	3,789,096.00
Share Issuance Costs	-	-	-	-	8,843,381.51	-	-	-	-	-	-	-	-	-	8,843,381.51
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	960,000,000.00	-	-	1,267,680,000.00	-	-	-	-	-	-	-	-	-	-	2,227,680,000.00
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Poush end, 2080	3,200,000,000.00	-	-	1,267,680,000.00	1,075,010,714.54	-	-	123,521,477.65	9,469,491.10	-	8,784,842.44	-	300,796,801.00	-	5,985,263,326.74

**SUN NEPAL LIFE INSURANCE COMPANY LIMITED**

(Corporate Office, Putalisadak, New-Plaza, Contact No: 0-14536126&0-14536126 Website: <https://sunlife.com.np/>)

**Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S**

**Consolidated Statements of Cashflows**

Particulars	Group		Insurer	
	Current Year	Previous Year	Current Year	Previous Year
<b>Cash Flow From Operating Activities:</b>				
<b>Cash Received</b>				
Gross Premium Received	1,779,564,449	3,752,000,945	1,779,564,449	3,752,000,945
Commission Received	-	71,667,687	-	71,667,687
Claim Recovery Received from Reinsurers	57,397,447	105,483,466	57,397,447	105,483,466
Realised Foreign Exchange Income other than on Cash and Cash Equivalents	-	-	-	-
Other Direct Income	7,193,759	58,168,387	6,504,259	58,168,387
Others (to be specified)	5,249,367	514,643	-	514,643
<b>Cash Paid</b>				
Gross Benefits and Claims Paid	(546,544,177)	(992,528,185)	(546,544,177)	(992,528,185)
Reinsurance Premium Paid	(263,581,499)	(1,306,625,369)	(263,581,499)	(1,306,625,369)
Commission Paid	(149,009,693)	(354,803,552)	(149,009,693)	(354,803,552)
Service Fees Paid	(11,901,516)	(21,715,760)	(11,901,516)	(21,715,760)
Employee Benefits Expenses Paid	(153,925,741)	(259,738,500)	(152,183,521)	(260,176,689)
Other Expenses Paid	(275,108,497)	(192,760,390)	(212,846,739)	(207,368,749)
Others (to be specified)	-	-	-	-
Income Tax Paid	(28,822,069)	(40,977,777)	(27,466,000)	(41,622,234)
<b>Net Cash Flow From Operating Activities [1]</b>	<b>420,511,831</b>	<b>818,685,594</b>	<b>479,933,011</b>	<b>802,994,590</b>
<b>Cash Flow From Investing Activities</b>				
Acquisitions of Intangible Assets	(244,500)	(2,486,000)	(244,500)	(2,090,500)
Proceeds From Sale of Intangible Assets	-	-	-	-
Acquisitions of Investment Properties	-	-	-	-
Proceeds From Sale of Investment Properties	-	-	-	-
Rental Income Received	-	-	-	-
Acquisitions of Property and Equipment	(6,910,436)	(42,912,245)	(6,070,324)	(38,864,519)
Proceeds From Sale of Property and Equipment	-	-	-	-
Investment in Subsidiaries	-	-	(73,500,000)	-
Receipts from Sale of Investments in Subsidiaries	-	-	-	-
Investment in Associates	-	-	-	-
Receipts from Sale of Investments in Associates	-	-	-	-
Purchase of Equity Instruments	(132,302,054)	(1,010,262,757)	(132,302,054)	(934,733,262)
Proceeds from Sale of Equity Instruments	53,796,382	117,620,227	27,707,600	117,620,227
Purchase of Mutual Funds	-	(59,684,000)	-	(59,684,000)
Proceeds from Sale of Mutual Funds	-	-	-	-
Purchase of Preference Shares	-	-	-	-
Proceeds from Sale of Preference Shares	-	-	-	-
Purchase of Debentures	-	-	-	-
Proceeds from Sale of Debentures	-	-	-	-
Purchase of Bonds	(68,025,000)	-	(68,025,000)	-
Proceeds from Sale of Bonds	-	-	-	-
Investments in Deposits	(2,985,000,000)	(1,400,500,000)	(2,985,000,000)	(1,460,500,000)
Maturity of Deposits	510,500,000	-	510,500,000	-
Loans Paid	(138,909,612)	(119,633,014)	(138,909,612)	(119,633,014)
Proceeds from Loans	68,868,954	-	68,868,954	-
Rental Income Received	-	-	-	-
Proceeds from Finance Lease	-	-	-	-
Interest Income Received	447,069,591	587,108,950	446,229,063	575,124,203
Dividend Received	-	3,844,630	-	3,844,630
Others (to be specified)	-	-	-	-
<b>Total Cash Flow From Investing Activities [2]</b>	<b>(2,251,156,675)</b>	<b>(1,926,904,209)</b>	<b>(2,350,745,874)</b>	<b>(1,918,916,234)</b>
<b>Cash Flow From Financing Activities</b>				
Interest Paid	-	-	-	-
Proceeds From Borrowings	-	-	-	-
Repayment of Borrowings	-	-	-	-
Payment of Finance Lease	-	-	-	-
Proceeds From Issue of Share Capital	2,229,080,000	624,710,000	2,227,680,000	624,710,000
Share Issuance Cost Paid	(8,843,382)	-	(8,843,382)	-
Dividend Paid	-	-	-	-
Dividend Distribution Tax Paid	-	-	-	-
Others (to be specified)	-	-	-	-
<b>Total Cash Flow From Financing Activities [3]</b>	<b>2,220,236,618</b>	<b>624,710,000</b>	<b>2,218,836,618</b>	<b>624,710,000</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents [1+2+3]</b>	<b>389,591,774</b>	<b>(483,508,614)</b>	<b>348,023,755</b>	<b>(491,211,644)</b>
Cash & Cash Equivalents At Beginning of The Year/Period	464,124,955	947,633,569	455,120,648	946,332,292
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-	-	-	-
<b>Cash &amp; Cash Equivalents At End of The Year/Period</b>	<b>853,716,729</b>	<b>464,124,955</b>	<b>803,144,403</b>	<b>455,120,648</b>
<b>Components of Cash &amp; Cash Equivalents</b>				
Cash In Hand	941,810	2,543,070	941,810	2,543,070
Cheque in Hand	-	-	-	-
Term Deposit with Banks (with initial maturity upto 3 months)	-	-	-	-
Balance With Banks	852,774,919	461,581,885	802,202,593	452,577,578

## SUN NEPAL LIFE INSURANCE COMPANY LIMITED

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### Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S

#### Consolidated Statement of Distributable Profit or Loss

Particulars	Insurer
	Current Year
Opening Balance in Retained Earnings	723,185,655.23
Transfer from OCI reserves to retained earning in current year	-
Net profit or (loss) as per statement of profit or loss	328,405,137.81
<b>Appropriations:</b>	
i) Transfer to Insurance Fund	-
ii) Transfer to Catastrophe Reserve	32,840,514.00
iii) Transfer to Capital Reserve	-
iv) Transfer to CSR reserve	3,284,051.00
v) Transfer to/from Regulatory Reserve	-
vi) Transfer to Fair Value Reserve	-
vii) Transfer of Deferred Tax Reserve	-
viii) Transfer to OCI reserves due to change in classification	-
ix) Others	-
<b>Deductions:</b>	
i) Accumulated Fair Value Gain on each Financial Assets Measured at FVTPL	
a) Equity Instruments	-
b) Mutual Fund	-
c) Others (if any)	-
ii) Accumulated Fair Value gain on Investment Properties	-
iii) Accumulated Fair Value gain on Hedged Items in Fair Value Hedges	-
iv) Accumulated Fair Value gain on Hedging Instruments in Fair Value Hedges	-
v) Accumulated Fair value gain of Ineffective Portion on Cash Flow Hedges	-
vi) Goodwill Recognised	-
vii) Unrealised Gain on fluctuation of Foreign Exchange Currency	-
viii) Accumulated Share of Net Profit of Associates accounted using Equity Method included in Investment Account	-
ix) Overdue loans	-
x) Fair value gain recognised in Statement of Profit or Loss	-
xi) Investment in unlisted shares	-
xii) Delisted share investment or mutual fund investment	-
xiii) Bonus share/ dividend paid	-
xiv) Deduction as per Sec 17 of Financial directive	-
xv) Others	-
<b>Adjusted Retained Earning</b>	<b>1,015,466,228.04</b>
Add: Transfer from Share Premium Account	-
Less: Amount apportioned for Assigned capital	-
Less: Deduction as per sec 14(1) Of Financial directive	-
Add/Less: Others (transaction cost on issue of shares)	8,843,382
<b>Total Distributable Profit/(loss)</b>	<b>1,006,622,846.53</b>

**SUN NEPAL LIFE INSURANCE COMPANY LIMITED**  
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**Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S**

**Segment Reporting**

**Operating Segment**

Segment information is presented in respect of the Company's business segments. Management of the Company has identified portfolio as business segment and the Company's internal reporting structure is also based on portfolio. Performance is measured based on segment profit as management believes that it is most relevant in evaluating the results of segment relative to other entities that operate within these industries.

Segment asset is disclosed below based on total of all asset for each business segment.

The Company operates predominantly in Nepal and accordingly, the Management of the Company is of the view that the financial information by geographical segments of the Company's operation is not necessary to be presented.

Business Segments of the Company's are:

Endowment	Foreign Employment Term
Anticipated Endowment	Micro Term
Endowment Cum Whole Life	Special Term
Whole Life	Othes( Anticipated cum Whole Life Policy)

**a) Segmental Information for the year ended Ashwin end, 2080**

Particulars	Endowment	Anticipated Endowment	Endowment Cum Whole Life	Whole Life	Foreign Employment Term	Micro Term	Special Term	Othes( Anticipated cum Whole Life Policy)	Inter Segment Elimination	Total
<b>Income:</b>										
Gross Earned Premiums	747,713,095.00	548,373,124.00	64,353,684.00	-	368,776,925.00	1,564,793.30	17,272,749.39	31,510,078.00	-	1,779,564,448.69
Premiums Ceded	24,186,720.20	19,624,231.62	1,607,267.31	-	141,565,736.00	469,602.46	4,891,954.61	799,108.59	-	193,144,620.79
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
<b>Net Earned Premiums</b>	<b>723,526,374.80</b>	<b>528,748,892.38</b>	<b>62,746,416.69</b>	<b>-</b>	<b>227,211,189.00</b>	<b>1,095,190.84</b>	<b>12,380,794.78</b>	<b>30,710,969.41</b>	<b>-</b>	<b>1,586,419,827.90</b>
Commission Income	-	-	-	-	-	-	-	-	-	-
Other Direct Income	3,664,952.00	1,907,435.00	556,259.00	-	36,038.00	-	1,469.00	338,106.00	-	6,504,259.00
Interest Income on Loan to Policyholders	7,375,318.00	753,592.00	1,587,945.00	-	-	-	-	1,103,406.00	-	10,820,261.00
Income from Investments and Loans	177,615,569.00	46,885,674.00	22,809,137.00	-	31,179,209.00	141,181.00	983,750.00	9,966,978.00	-	289,581,498.00
Net Gain/(Loss) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
<b>Total Segmental Income</b>	<b>912,182,213.80</b>	<b>578,295,593.38</b>	<b>87,699,757.69</b>	<b>-</b>	<b>258,426,436.00</b>	<b>1,236,371.84</b>	<b>13,366,013.78</b>	<b>42,119,459.41</b>	<b>-</b>	<b>1,893,325,845.90</b>
<b>Expenses:</b>										
Gross Benefits and Claims Paid	31,873,509.00	333,223,698.00	3,067,444.00	-	132,913,544.50	940,000.00	4,584,500.00	39,941,481.00	-	546,544,176.50
Claims Ceded	3,892,900.00	1,210,000.00	-	-	49,412,971.60	453,000.00	2,428,575.00	-	-	57,397,446.60
Gross Change in Contract Liabilities	725,980,752.80	134,777,037.38	72,983,484.69	-	117,065,328.00	1,892,604.58	5,482,844.61	2,986,023.95	-	806,314,473.73
Change in Contract Liabilities Ceded to Reinsurers	-	310,000.00	-	-	780,000.00	-	-	-	-	(1,090,000.00)
<b>Net Benefits and Claims Paid</b>	<b>753,961,361.80</b>	<b>467,100,735.38</b>	<b>76,050,928.69</b>	<b>-</b>	<b>(32,784,755.10)</b>	<b>(1,405,604.58)</b>	<b>(3,326,919.61)</b>	<b>36,955,457.05</b>	<b>-</b>	<b>1,409,166,096.83</b>
Commission Expenses	82,716,710.00	57,635,199.00	5,260,164.00	-	-	91,835.00	1,296,740.00	2,009,045.00	-	149,009,693.00
Service Fees	5,429,835.00	3,966,882.00	470,909.00	-	1,704,083.00	5,488.00	93,911.00	230,408.00	-	11,901,516.00
Other Direct expenses	-	-	-	-	-	-	-	-	-	-
Employee Benefits Expenses	35,659,638.85	26,318,942.01	3,170,502.03	-	19,789,789.73	79,043.82	857,325.51	1,582,525.21	-	87,457,767.16
Depreciation and Amortization Expenses	2,833,662.88	2,091,412.35	251,941.25	-	1,572,578.81	6,281.15	68,126.64	125,754.02	-	6,949,757.10
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	26,119,844.27	19,278,004.64	2,322,317.73	-	14,495,554.46	57,897.04	627,969.84	1,159,163.77	-	64,060,751.74
Finance Cost	-	-	-	-	-	-	-	-	-	-
<b>Total Segmental Expenses</b>	<b>906,721,052.80</b>	<b>576,391,175.38</b>	<b>87,526,762.69</b>	<b>-</b>	<b>4,777,250.90</b>	<b>(1,165,059.58)</b>	<b>(382,846.61)</b>	<b>42,062,353.05</b>	<b>-</b>	<b>1,615,930,688.63</b>
<b>Total Segmental Results</b>	<b>5,461,161.00</b>	<b>1,904,418.00</b>	<b>172,995.00</b>	<b>-</b>	<b>253,649,185.10</b>	<b>2,401,431.42</b>	<b>13,748,860.39</b>	<b>57,106.36</b>	<b>-</b>	<b>277,395,157.27</b>
<b>Segment Assets</b>										
<b>Segment Liabilities</b>	<b>4,167,013,956.12</b>	<b>1,053,098,234.34</b>	<b>557,387,487.55</b>	<b>-</b>	<b>392,948,624.00</b>	<b>547,595.42</b>	<b>6,190,397.39</b>	<b>258,321,097.01</b>	<b>-</b>	<b>6,435,507,391.83</b>



**SUN NEPAL LIFE INSURANCE COMPANY LIMITED**

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**Quarterly Financial Results for Second Quarter, F.Y. 2080/81 B.S****Segment Reporting****b) Reconciliation of Segmental Profit with Statement of Profit or Loss**

<b>Particulars</b>	<b>Current Year</b>
<b>Segmental Profit</b>	277,395,157.27
Less: Employee Benefits expenses	64,072,652.02
Less: Depreciation and Amortization	2,191,874.90
Less: Other operating expenses	28,552,796.21
Less: Impairment losses	-
Less: Finance Cost	-
Add: Unallocable Other Income	145,827,303.67
<b>Profit Before Tax</b>	<b>328,405,137.81</b>

**c) Reconciliation of Assets**

<b>Particulars</b>	<b>Current Year</b>
<b>Segment Assets</b>	-
Goodwill & Intangible Assets	2,431,634.94
Property and Equipment	88,871,327.62
Investment Properties	-
Deferred Tax Assets	269,502,559.88
Investment in Subsidiaries	178,500,000.00
Investment in Associates	-
Investments	10,178,110,251.07
Loans	553,140,338.03
Current Tax Assets	226,820,615.11
Insurance Receivable	263,919,532.61
Other Assets	110,447,179.48
Other Financial Assets	119,025,174.87
Cash and Cash Equivalents	803,144,403.30
<b>Total Assets</b>	<b>12,793,913,016.92</b>

**d) Reconciliation of Liabilities**

<b>Particulars</b>	<b>Current Year</b>
<b>Segment Liabilities</b>	6,435,507,391.83
Provisions	7,296,424.82
Gross Insurance Contract Liabilities	79,910,840.00
Deferred Tax Liabilities	7,382,881.66
Current Tax Liabilities	-
Insurance Payable	-
Other Financial Liabilities	203,253,955.75

## **Notes to Interim Financial Statements**

### **A. Reporting Entity**

Sun Nepal Life Insurance Company Limited (herein after referred to as the 'Company') was incorporated on 2064/06/29 and operated as Life Insurance Company after obtaining license on 2074/04/18 under the Insurance Act 2049. The registered, and corporate office of the company is situated in Kathmandu, Nepal.

Sun Nepal Life Insurance Company Limited is a fast growing life insurance company which has managed to establish itself as a reliable and professional Insurance provider in the country in a very short span of time. Sun Nepal Life Insurance Company Limited is growing with the vision of providing "Security, Education and Prosperity For All." Our Company is in constant pursuit of providing best customer service to people of all economics status and geographical locations. The Company is listed on Nepal Stock Exchange and its stock symbol is "SNLI".

### **Subsidiary Company**

The company has a subsidiary namely "Sunlife Capital Limited". Sunlife Capital Limited is majority owned(75%) subsidiary of the Company and was incorporated on July 29 , 2021 as a public limited company as per the Companies Act 2063 and licensed by Securities Board of Nepal on May 8, 2023 under the Securities Businessperson(Merchant Banker) Regulation, 2064 to provide merchant banking and investment banking services.

"The Group" represents the Company and its subsidiary.

### **B. Basis of Preparation**

The Interim Financial Statements of the Company have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS):NAS 34 Interim Financial Reporting , as issued by the Nepal Accounting Standards Board (ASB) as per the provisions of The Nepal Chartered Accountants Act, 1997.

The disclosures made in the condensed consolidated interim financial statements have been limited on the format prescribed by Nepal Insurance Authority under the Circular No 5 related to Insurer Quarterly Financial Statements dated 2080/07/15.

The Interim Financial Statements comprise of :

- a. Condensed Consolidated Statements of Financial Position as at the end of the period
- b. Condensed Consolidated Statements of Profit or Loss for the Period
- c. Condensed Statement of Other Comprehensive Income for the period
- d. Condensed Statement of Changes in Equity for the period
- e. Condensed Statement of Distributable Profit or Loss
- f. Notes to Interim Financial Statements
- g. Segment Reporting

The interim financial statements do not include all of the information required for a complete set of NFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the bank's financial position and performance since the last annual financial statements.

**C. Statement of compliance with NFRSs**

The interim financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS): NAS 34 Interim Financial Reporting, as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and in compliance Circular No.5 /132/(2080/081) dated 2080/07/15 issued by Nepal Insurance Authority and all other applicable laws and regulations. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements.

**D. Reporting Period and approval of financial statements**

Reporting period is a period from the first day of Shrawan (mid of July ) of 2080 to the last day of the Poush (mid of July), 2080 as per Nepali Calendar.

<b>Period</b>	<b>Date</b>
Current Period	1 <sup>st</sup> Shrawan 2080 to 29 <sup>th</sup> Poush 2080
Previous Period	1 <sup>st</sup> Shrawan 2079 to 31 <sup>st</sup> Ashadh 2080

**E. Functional and Presentation Currency**

The interim financial statements are presented in Nepalese Rupees (NPR) which is the company's functional currency. All financial information presented in NPR has been rounded to the nearest rupee except where indicated otherwise.

**F. Use of Estimates, assumptions and judgements**

The preparation of these Financial Statements in conformity with NFRS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the reported balance of Assets & Liabilities,

disclosures relating to Contingent Liabilities as at the date of the Financial Statements and the reported amounts of Income & Expenses for the year presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Financial Statements. No change in any significant accounting estimates has been made in this quarter.

## **G. Significant accounting policies**

### **(a) Basic of Measurements**

The Financial Statements have been prepared on a going concern basis. The term NFRS, includes all the standards and the related interpretations which are consistently used. The Financial Statements have been prepared on the historical cost basis except for following Assets & Liabilities which have been measured at Fair Value amount:

- i. Certain Financial Assets and Liabilities which are required to be measured at fair value
- ii. Defined Employee Benefits
- iii. Insurance Contract Liabilities which are required to be determined using actuarial valuation for Liability Adequacy Test (LAT).

### **(b) Basic of Consolidation**

#### **Non Controlling Interest**

For business combination, the company elects to measure any non-controlling interests in the acquire at their proportionate share of the acquire identifiable net assets, which are generally at fair value.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

#### **Subsidiary**

Subsidiary is the entity controlled by the Company. The Company controls an entity if it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

The Company reassesses whether it has control if there are changes to one or more of the elements of control. In preparing the consolidated financial statements, the financial

statements are combined line by line by adding the like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. The carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary are eliminated in full. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions if any between entities of the group are eliminated in full while preparing the consolidated financial statements.

**(c) Property, Plant and Equipment (PPE)**

**i) Recognition**

The items of property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation when, it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it meets the recognition criteria as mentioned above. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**iii) Depreciation**

Depreciation of Property, Plant and Equipment other than the Freehold Land i.e. the Company's Freehold Building, Plant & Machinery, Vehicles & Other Assets is provided on "Straight Line Method (SLM)/ Diminishing Balance Method ((DBM)" based on Useful Life estimated by technical expert of the management.

The Assets Useful Life/ Rate of Depreciation and Residual Values are reviewed at the Reporting date and the effect of any changes in estimates are accounted for on a prospective basis.

Useful Life of Property, Plant and Equipment based on SLM/DBM is categorized as stated below:

<b>List of Assets Categories</b>	<b>Useful Life (In Years) for SLM</b>
Land	Not Applicable
Buildings	20
Leasehold Improvement	Lease Period
Furniture & Fixture	8
Computers and IT Equipment	8
Officer Equipment	8
Vehicles	5
Other Assets	8

**iv) Derecognition**

An item of Property, Plant and Equipment is derecognized upto disposal or when no Future Economic Benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit or Loss.

#### **v) Impairment of Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the Asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. Assets that suffer an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

#### **(d) Intangible Assets**

##### **i) Recognition**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in Statement of profit or loss in the year in which the expenditure is incurred.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

##### **ii) Amortization**

The useful lives of intangible assets are assessed to be either finite or indefinite. An intangible asset shall be regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow for the entity.

Amortization is recognized in statement of profit of loss on Straight Line Method (SLM) over the estimated useful life of the intangible assets/ Diminishing Balance Method (DBM), from the date that is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits

embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates, The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss.

Useful Life of Intangible Assets based on SLM/DBM is categorized as stated below:

<b>List of Assets Categories</b>	<b>Useful Life (In Years) for SLM</b>
Soft wares	8
Licenses	License Period
Others( to be specified)	Agreement Based

### **iii)Derecognition**

An Intangible Asset is derecognized when no Future Economic Benefits are expected to arise from the continued use of the Asset. Any Gain or Loss arising on the derecognition is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit or Loss.

### **iv)Impairment of Assets**

The Company assesses at each reporting date as to whether there is any indication that Intangible Assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognized in the Statement of Profit or Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

### **(e) Cash & Cash Equivalent**

Cash & Cash Equivalent includes Cash in Hand, Cheque in Hand, Bank Balances and short term deposits with a maturity of three months or less.

### **(f) Financial Assets**

#### **i)Initial Recognition & Measurement**

Financial Assets are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Assets at initial recognition.

When Financial Assets are recognized initially, they are measured at Fair Value, plus, in the case of Financial Assets not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial Asset. Transaction costs of Financial Assets carried at Fair Value through Profit or Loss are expensed in the Statement of Profit or Loss.

## **ii) Subsequent Measurement**

### **a) Financial Assets carried at Amortized Cost (AC)**

A Financial Asset is measured at amortized cost if it is held within a business model whose objective is achieved is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income in these financial assets is measured using effective interest rate method.

### **b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)**

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are measured at fair value and changes are taken to statement of other comprehensive income.

### **c) Financial Assets at Fair Value through Profit or Loss (FVTPL)**

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

## **iii) De-Recognition**

A Financial Assets is derecognized only when the Company has transferred the rights to receive cash flows from the Financial Assets. Where the Company has transferred an Asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the Financial Asset. In such cases, the Financial Asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the Financial Asset, the Financial Asset is not derecognized. Where the Company retains control of the Financial Asset, the Asset is continued to be recognized to the extent of continuing involvement in the Financial Asset.

## **iv) Impairment of Financial Assets**

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a financial asset or a group of financial assets is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that



there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

**(g) Financial Liabilities**

**i) Initial Recognition & Measurement**

Financial Liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Liabilities at initial recognition.

All Financial Liabilities are recognized initially at Fair Value, plus, in the case of Financial Liabilities not at fair value through profit or loss, transaction costs that are attributable to the issue of the Financial Liability.

**ii) Subsequent Measurement**

After initial recognition, Financial Liabilities are subsequently measured at amortized cost using the Effective Interest Method.

For trade and other payables maturing within one year from the date of Statement of Financial Position, the carrying amounts approximate Fair Value due to short maturity of these instruments.

**iii) De-Recognition**

A Financial Liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

**(h) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position where there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(i) Reinsurance Assets**

Reinsurance assets are the assets which are created against insurance contract liabilities of the amount which are recoverable from the reinsurer. These assets are created for the reinsurer's share of insurance contract liabilities.

A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after the initial recognition of the reinsurance asset, that the Company may not receive all amounts due to it under the terms of the contract, and the event has a reliably measurable impact on the amount that the company will receive from the re-insurer. If a reinsurance asset is impaired, the company reduce the carrying amount accordingly and is recognized in statement of profit or loss.

**(j) Equity**

Financial Instruments issued by the Company are classified as Equity only to the extent that they do not meet the definition of a Financial Liability or Financial Asset.

**(k) Reserves and Funds**

**i) Share Premium:** If the Company issues share capital at premium it receives extra amount other than share capital such amount is transferred to share premium. The amount in share premium is allowed for distribution subject to provisions of company act & regulatory requirement.

**ii) Catastrophe Reserve:** The Company has allocated catastrophe reserve for the amount which is 10% of the distributable profit for the year as per Regulator's Directives.

**iii) Fair Value Reserve:** The Company has policy of creating fair value reserve equal to the amount of Fair Value Gain recognized in statement of other comprehensive income as per regulator's directive.

**viii) Other Reserves:** Reserve other than above reserves, for e.g. deferred tax reserve & Corporate Social Responsibility Reserve has been created as per Regulator's Directives.

**(l) Insurance Contract Liabilities**

At each reporting date, the Company reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. The calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums is inadequate, the deficiency is recognized in the statement of profit or loss by setting up a provision for liability.

**(m) Employee Benefits**

**i) Short Term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be

paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the Statement of Financial Position.

## **ii) Post-Employment Benefits**

### **-Defined Contribution Plan**

The Company pays Provident Fund contributions to publicly administered Provident Funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognized as Employee Benefit Expenses when they are due.

### **-Defined Benefit Plan**

For Defined Benefit Plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out at each Statement of Financial Position. Actuarial Gains & Losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a Straight Line Basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the Fair Value of plan Assets (If Any). Any Asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

## **(n) Revenue Recognition**

### **i) Gross Premium**

Gross Premium are recognized as soon as the amount of the premiums can be reliably measured. First premium is recognized from inception date. At the end of the financial year, all due premiums are accounted for to the extent that they can be reliably measured.

### **ii) Unearned Premium Reserves**

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a pro rate basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

### **iii) Premiums on Reinsurance Accepted**

Premium on reinsurance accepted comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net benefits and claims, respectively, because this is consistent with how the business is managed.

**iv) Commission Income**

Commission Income is recognized on accrual basis. If the income is for future periods, then they are deferred and recognized over those future periods.

**v) Investment Income**

Interest income is recognized in the statement of profit or loss as it accrues and is calculated by using the EIR method. Fees and commission that are an integral part of the effective yield of the financial asset are recognized as an adjustment to the EIR of the instrument.

**vi) Net realized gains and losses**

Net realized gains and losses recorded in the statement of profit or loss include gains and losses on financial assets and properties. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

**(o) Benefit, Claims and Expenses**

**i) Gross Benefits and Claims**

Benefits and claims includes the cost of all claims arising during the year, including external claims handling costs that are directly related to processing and settlement of claims. Benefits and claims that are incurred during the financial year are recognized when a claimable event occurs and/or the insurer is notified. Death, surrender and other benefits without due dates are treated as claims payable, on the date of receipt of intimation of death of the assured or occurrence of contingency covered.

**ii) Reinsurance Claims**

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the term of the relevant contracts.

**(p) Product Classification**

Insurance contracts are those contracts when the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company determines whether it has significant insurance risk by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

The Company has following portfolios under which it operates its business:

**i) Endowment**

This is a with profit plan that makes provisions for the family of the Life Assured in event of his early death and also assures a lump sum at a desired age on maturity. It costs moderate premiums, has high liquidity and is savings oriented. This plan is opt for people of all ages and social groups who wish to protect their families from a financial setback that may occur owing to their demise.

**ii) Anticipated**

This scheme provides for specific periodic payments or partial survival benefits during the term of the policy itself so long as the policy holder is alive. It is therefore suitable to meet specified financial requirements needed for occasions like Brata Bandha, Academic Graduations etc. An important feature of plan is that in the event of death at any time within the policy term, the death claim comprises full sum assured without deducting any of the survival benefit amounts, which have already been paid. It is also with profit plan.

**iii) Endowment Cum Whole Life**

This plan is a combination of Endowment Assurance and Whole Life with profit plan. It provided financial protection against death throughout the lifetime of the life assured with the provision of payment of a lump sum at the maturity of the policy to the assured in case of his survival.

**iv) Whole Life**

Whole life is a type of life insurance contract that provides insurance coverage of the contract holder for his or her entire life. Upon the inevitable death of the contract holder, the insurance payout is made to the contract's beneficiaries. These policies also include a savings component, which accumulates a cash value. This cash value is one of the key elements of whole life insurance.

**v) Foreign Employment Term**

The main objective of foreign employment term is providing insurance for financial assistance if there is death or elimination of any insured due to work or staying abroad.

**vi) Other Term**

Micro Terms are the modified version of term product targeted to the rural /local income people.

**vii) Special Term**

Term life insurance, also known as pure life insurance, is life insurance that guarantees payment of a stated death benefit during a specified term. Once the term expires, the policyholder can renew it for another term, convert the policy to permanent coverage, or allow the policy to terminate.

**viii) Others to be Specified –(Anticipated Whole Life)**

This scheme provides for specific periodic payments or partial survival benefits during the term of the policy itself so long as the policy holder is alive. An important feature of plan is that in the event of death at any time within the policy term, the death claim comprises full sum assured without deducting any of the survival benefit amounts, which have already been paid. It provides insurance coverage of the contract holder for his or her entire life. It is also with profit plan.

**(q) Cash Flow Statement**

Cash Flows are reported using the direct method, whereby major classes of cash receipts and cash payments are disclosed as cash flows.

**(r) Leases**

The lease liability has been accounted for under NFRS 16 “Leases”. For all the significant lease, the Right-of-Use assets has been recognized at its initial recognition under cash model. The Lease liability has been recognized at the present value of the lease payments that are not paid at that date. The lease payment has been discounted at the incremental borrowing rate in lease which is 9%.

After the commencement date, the right of use asset has been measured using cost model. The lease liability has been increased to reflect interest on the lease liability & has been reduced by the lease payment.

The lease assets having the lease liability of equal to or less than 30 lacs present value at inception has been considered as low value and for those lease the expenses has been recognized under straight line basis.

**(s) Income Taxes**

Income Tax Expense represents the sum of the tax currently payable & Deferred Tax.

**i) Current Tax**

Current Tax Expenses are accounted in the same period to which the revenue and expenses relate. Provision for Current Income Tax is made for the Tax Liability payable on Taxable Income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

**ii) Deferred Tax**

Deferred Tax is recognized on temporary difference between the carrying amounts of Assets and Liabilities in the Statement of Financial Position and their Tax Base. Deferred Tax Assets & Liabilities are recognized for deductible and taxable temporary differences arising between the tax base of Assets & Liability in a transaction that is not a business combination and affects neither accounting nor taxable Profit nor Loss at the time of the transaction.

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible Temporary difference and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred Tax Liabilities are generally recognized for all taxable Temporary Difference.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the Deferred Tax Asset to be utilized.

## **H. Changes in accounting policies**

Accounting Policies are the specific principles, bases, conventions, rules and practices applied by the Company in preparing and presenting financial statements. The Company is permitted to change an accounting policy only if the change is required by a standard or interpretation; or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance, or cash flow. No change in any significant accounting policies has been made in this quarter.

The accounting policies adopted while preparing these interim financial statements are consistent with those applied in the Company's annual financial statements.

## **I. Related parties Disclosures**

### **a. The identity of Related Parties:**

Holding Company: N/A

Associates: N/A

Fellow Subsidiaries: Sunlife Capital Limited

Key Management Personnel:

<b>Name</b>	<b>Position</b>
Mr. Anuj Keyal	Chairperson
Mr. Sashank Agrawal	Director
Mr. Kiran KC	Director
Mr. Narayan Roongta	Director
Ms. Neetu Keyal	Independent Director
Mr. Raj Kumar Aryal	Chief Executive Officer

### **b. Key Management Personnel Compensation:**

<b>Particulars</b>	<b>Current Year (2<sup>nd</sup> Quarter)</b>
Short Term Employee Benefits	26,87,500
Post-employment Benefits	-
Other Long-Term Benefits	-
Termination Benefits	-
<b>Total</b>	<b>26,87,500</b>

**c. Payment to Chief Executive Officer (CEO)**

<b>Particulars</b>	<b>Current Year (2<sup>nd</sup> Quarter)</b>
Annual Salary and allowances	26,87,500
Performance based allowances	
i) Employee Bonus	-
ii) Benefits as per prevailing provisions	-
iii) Incentives	-
Insurance Related Benefits	-
i) Life Insurance	-
ii) Accident Insurance	-
iii) Health Insurance (including family members)	-
<b>Total</b>	<b>26,87,500</b>

**d. Related Party Transactions**

<b>Particulars</b>	<b>Holding Company</b>	<b>Associate Companies</b>	<b>Fell ow Sub sidi arie s</b>	<b>Key Managerial Personnel</b>	<b>Total</b>
<b>Premium Earned</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Commission Income</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080))	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Rental Income</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Sale of Property, Plant &amp; Equipment</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Premium Paid</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Commission Expenses</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Dividend</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-



<b>Meeting Fees</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	594,000.00	594,000.00
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	2,626,000.00	2,626,000.00
<b>Allowances to Directors</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Others (to be specified)</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-

#### e. Related Party Balance

Particulars	Holding Company	Associate Companies	Fellow Subsidiaries	Key Managerial Personnel	Total
<b>Receivables including Reinsurance Receivables</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Other Receivable ( to be Specified)</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Payables including Reinsurance Payables</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	-	-
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-
<b>Other Payables ( to be Specified)</b>					
For The Year Ended 14th Jan, 2024 (Poush 29, 2080)	-	-	-	71,400.00	<b>71,400.00</b>
For The Year Ended 16th July, 2023 (Ashad 31, 2080)	-	-	-	-	-

## 11. Disclosure as per other Regulatory Requirements

Disclosure as per the Requirement of Annexure 14( Rules 26) of Securities Registration and Issue Regulation 2073 has been presented below.

### सन नेपाल लाइफ इन्स्योरेन्स कम्पनी लिमिटेड

(धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ उपनियम (१) सँग सम्बन्धित)  
अनुसूची १४

#### १. वित्तीय विवरण

##### क) त्रैमासिक अवधिको वासलात तथा नाफा नोक्सान सम्बन्धी विवरण

आ.व. २०८०/८१ को दोस्रो त्रैमासिक अवधिको वासलात तथा नाफा नोक्सान हिसाब यसैसाथ प्रकाशित गरिएको छ। साथै कम्पनीको वेभसाइटमा समेत उक्त विवरण राखिएको छ।

##### ख) प्रमुख वित्तीय अनुपातहरू

प्रति शेयर आम्दानी : २०.५२	प्रति शेयर नेटवर्थ : १८७.०४
पि.ई अनुपात : २८.०९	प्रति शेयर कुल सम्पतिको मुल्य : ३९९.८१
तरलता सम्बन्धि विवरण : कम्पनीको हालको सम्पत्ति तथा दायित्वको अवस्था हेर्दा कम्पनीको तरलताको अवस्था सन्तोषजनक रहेको देखिन्छ।	
बीमाङ्गीय मुल्याङ्कन पश्चात प्राप्त हुने मुनाफा समायोजन पश्चात् वित्तीय अनुपातहरू फरक पर्न सक्दछ।	

#### २. व्यवस्थापकीय विश्लेषण

##### क. कम्पनीको मौज्जात, आम्दानी र तरलतामा भएका परिवर्तनहरू

यस अवधिमा कम्पनीको आम्दानी तथा तरलताको अवस्था सन्तोषजनक रहेको छ।

##### ख. आगामी अवधिको व्यवसायिक योजनामा व्यवस्थापनको विश्लेषणात्मक विवरण

यस आ.व.को दोस्रो त्रैमासिक सम्ममा कम्पनीले रु.१ अर्ब ७७ करोड ९५ लाख बीमा शुल्क आर्जन गर्न सफल भएको छ। यस त्रैमासिकको अन्त्यसम्ममा कम्पनीको जीवन बीमाकोष रु. ६ अर्ब ५१ करोड पुगेको छ।

कम्पनीले आगामी त्रैमासहरूमा पनि कम्पनीको यस त्रैमासको व्यवसायीक उपलब्धीमा अझ सुधार गर्दै लगि कम्पनीको यस आ.व.को व्यवसायिक तथा वित्तीय अवस्थाको प्रक्षेपण अनुसार नै कम्पनीले आफ्नो कारोबार गर्ने तथा वित्तीय सुचकहरू हासिल गर्नेमा विश्वस्त रहेको छ। कम्पनीले देशव्यापी सेवा विस्तार हेतु बीमा जनचेतना अभिवृद्धि तथा अभिकर्ता अभिमुखिकरणमा विशेष जोड दिनुको साथै प्रविधि मैत्री बीमा विस्तारका योजनाहरूमा अग्रसर भई लागि परेका छौं।

### ३. कानूनी कारवाही सम्बन्धि विवरण

कम्पनीको यस आव को प्रथम त्रैमासिक सम्ममा कुनै पनि कानूनी कारवाही नरहेको अवस्था छ ।

### ४. संगठित संस्थाको शेयर कारोबार सम्बन्धि विश्लेषण

यस कम्पनी मिति २०८०/०६/०२ मा नेपाल स्टक एक्सचेन्जमा सुचिकृत भएको र २०८०/०६/०४ गते बाट शेयर कारोबार सुरु भई २०८० असोज ०४ देखि २०८० पौष मसान्त सम्म ६६ दिनमामा निम्नानुसार कारोबार भएको छ ।

अधिकतम मुल्य : रु ६०४	न्यूनतम मुल्य : रु ४०१.१	अन्तिम मुल्य रु ५७६.५०
कारोबार संख्या : २२६,७३५	कारोबार दिन : ६६	कारोबार शेयर संख्या: ५,८५६,७८२

### ५. समस्या तथा चुनौती

विद्यमान आर्थिक मन्दीको कारण आर्थिक गतिविधिमा देखिएको सुस्थता र त्यसको कारणले बीमा व्यवसायमा देखिएको नकरात्मक प्रभावलाई न्युनिकरण गर्नु आजको प्रमुख चुनौतिको रूपमा रहेको छ । यस परिस्थितिमा मुलुकको अर्थतन्त्रमा कायम नकारात्मक प्रभावबाट बीमा क्षेत्रमा पर्ने असरको साथै गुणस्तरिय बीमा व्यवसाय अभिवृद्धिका लागि दक्ष जनशक्तिको अभाव, बढ्दो महंगी तरलता संकुचन, सुरक्षित, आकर्षक र दीर्घकालिन लगानीको अवसरको कमी तथा जीवन बीमाको बारेमा जनचेतनाको कमीको साथै, जीवन बीमा कम्पनीहरु बीचको अस्वस्थ प्रतिस्पर्धा आजका प्रमुख समस्या र चुनौतिहरु हुन् ।

बीमा व्यवसाय बृद्धिको लागि बीमाको पहुच देशव्यापी रूपमा विस्तार गर्दै बीमाबारे जनचेतना जागृत गर्ने तथा नेपाल बीमा प्राधिकरणबाट जारी लगानी निर्देशिकाको परिधि भित्र रहि लगानी अन्तर्गतको जोखिम समेतलाई ध्यानमा राखी उच्च प्रतिफल प्रदान गर्ने मजबुत बैंक तथा वित्तीय संस्थामा लगानी गर्ने रणनीति अवलम्बन गरिएको छ ।

कम्पनीले पुर्वाधार, जलश्रोत तथा पर्यटनको क्षेत्रमा लगानी गर्दै लगानीलाई विविधिकरण गर्ने नीति लिएको छ । लगानी विविधिकरणको उद्देश्यले बैकिङ्ग क्षेत्रमा समेत सहभागिता जनाउँदै सानिमा बैंक लिमिटेडको आधारभूत शेयरधनीको रूपमा कम्पनीको संस्थापकको रूपमा लगानी भइरहेको छ ।

### ६. संस्थागत सुशासन

कम्पनीका कुशल र चुस्त व्यवस्थापनको कारण कम्पनीको संस्थागत सुशासनलाई प्रभावकारी रहेको छ । कम्पनीको आन्तरिक नियन्त्रण प्रणाली सुदृढ रहनुका साथै नियमक निकायबाट जारी भएका नीति निर्देशन तथा विद्यमान नियम कानूनहरुको पूर्ण पालना गरिएको छ । साथै कम्पनीले नेपाल बीमा प्राधिकरणबाट जारी बीमकको संस्थागत सुशासन सम्बन्धि निर्देशिकाले तय गरे बमोजिम कम्पनीको संचालक स्तरीय समिति गठन गरी कम्पनीको क्रियाकलापलाई नियमित अनुगमन तथा मार्ग निर्देश गरी व्यवस्थित गर्ने गरेको छ ।

### ७. सत्य, तथ्यता सम्बन्धमा अध्यक्ष /कार्यकारी प्रमुखको उद्घोषण

आजका मिति सम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरुको शुद्धता सम्बन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै म यो उद्घोष गर्दछु कि मैले जाने बुझे सम्म यस प्रतिवेदनमा उल्लेखित विवरणहरु सत्य, तथ्य र पूर्ण छन् साथै लगानीकर्ताहरुलाई सुसुचित हुन तथा निर्णय लिन आवश्यक कुनै विवरण, सुचना तथा जानकारीहरु लुकाइएको छैन ।

# Sun Nepal Life Insurance Company Limited

## Disclosure as per Section 84(3) of Insurance Act, 2079

**1. Solvency Ratio related disclosures: latest solvency ratio of the company**

The solvency ratio of the company as per the audited Financial Statements of Fiscal Year 2078/79 was 2.52. The valuation for Fiscal Year 2079/80 is on process and new solvency ratio will be finalized after that.

**2. Reinsurance related disclosures: comment on the reinsurance arrangement and its adequacy**

The Company has adequately reinsured all its businesses with Nepal Reinsurance Company Limited and Himalayan Reinsurance Company Limited according to Reinsurance Directive for Life Insurer of Nepal Insurance Authority.

Based on the company's year of operation and business volume, the company has adequately been reinsured.

**3. Details regarding legal proceeding: legal proceeding by or against the insurer**

No such case pending by or against the insurer.

**4. Corporate Governance: compliance with the Corporate Governance Directives**

The company has fully complied with the corporate governance directives 2075 of Nepal Insurance Authority.

**5. Any other disclosure as deemed relevant**

The company has completed its Initial Public Offering for the 96 lacs kitta share in 1<sup>st</sup> quarter of this fiscal year.